

Untitled document

**By Congressman Charles F. Bass (NH-02)  
For NH Patch sites, August 20, 2012**

Picture this: a small businesswoman in Concord is hauled before a court. Her crime? Selling goods online to a Boston resident without collecting Massachusetts sales tax, or to a Los Angeles resident without collecting California sales tax, or to a Miami resident without collecting Florida sales tax, and so on, for the multitude of state and local taxing jurisdictions. It sounds like something out of a bad dream, but if several Members of Congress get their way, this scenario could well become a reality. The cause for concern is an effort to force Internet retailers to collect taxes for any state to which they ship their wares.

At present, under the Internet Tax Freedom Act, online retailers only pay taxes in locations in which they maintain a physical presence. This decentralized system incentivizes competition among states to provide the best services at the lowest price. New Hampshire has benefited immensely from this arrangement, as small- and medium-sized businesses have flourished under the New Hampshire Advantage – our lack of any sales or income taxes.

From talking to and visiting with businesses across the district, I have seen firsthand how much our economy and Granite State families benefit from the New Hampshire Advantage and how these new, overly burdensome tax requirements would diminish this edge and thereby harm our local job creators. Requiring New Hampshire companies to charge state and local taxes, wherever their products are headed, would force them to put in new and oftentimes expensive accounting and tax collecting systems to keep track of money owed to other states. If mistakes are made, heavy penalties would follow. For a non-sales tax state like New Hampshire, a directive to collect out-of-state taxes is simply disproportionate and wrong.

For these reasons, I oppose proposals to require out-of-state tax collections and have consistently fought against attempts to subject the Internet to government control. I was proud to support the original Internet Tax Freedom Act, which prohibits state taxes for e-commerce. This Congress, I am a proud cosponsor of H.Res. 95, legislation which expresses Congress's disapproval of any attempt to impose burdensome or unfair tax collecting requirements on small online businesses. As a member of the House Subcommittee on Communications and Technology, I have consistently fought against legislation, such as the proposed Stop Online Piracy Act (SOPA), which would have infringed upon the Internet's dynamic structure and individual liberties.

Businesses in the Granite State benefit from being connected to an \$8 trillion marketplace for their wares. Consumers, likewise, enjoy an unparalleled diversity of new goods. From educating students to keeping families in touch, the Internet has been a profound force for good in millions of lives. I will continue to fight to ensure the Internet remains open and free.

At this time of economic recovery, Congress should work to support job creators and not seek to impose new taxation on our most dynamic sections. By rejecting online tax efforts, we help New Hampshire's economy and ensure that the Internet remains a driver of economic growth

and individual freedom. I will always support the preservation of the New Hampshire Advantage and will never help any effort that will lead to a sales tax or a state income tax in our state.

Charles F. Bass represents New Hampshire's Second District in Congress and can be contacted [here](#) .